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TO RUEHC/SECSTATE WASHDC PRIORITY 9659  
RUEATRS/DEPT OF TREASURY WASHDC PRIORITY  
INFO RUEHOO/CHINA POSTS COLLECTIVE PRIORITY  
RUEHCP/AMEMBASSY COPENHAGEN PRIORITY 0321  
RUEHLO/AMEMBASSY LONDON PRIORITY 0776  
RHEHNSC/NSC WASHDC PRIORITY  
RUEKJCS/SECDEF WASHINGTON DC PRIORITY  
RUEHBS/USEU BRUSSELS PRIORITY  
RUENAAA/SECNAV WASHINGTON DC PRIORITY  
RHEHAAA/WHITE HOUSE WASHDC PRIORITY  
RUEHNO/USMISSION USNATO PRIORITY 0015  
RUCOWCY/COGARD AMR NEW YORK NY PRIORITY  
RUCNDT/USMISSION USUN NEW YORK PRIORITY 0041  
RULSJGA/COMDT COGARD WASHINGTON DC PRIORITY

UNCLAS SECTION 01 OF 02 HONG KONG 000292

SENSITIVE  
SIPDIS

STATE FOR EAP/CM  
STATE ALSO FOR PM/PPA, EEB/ESC/TFS AND EEB/TRA/OTP  
TREASURY FOR OFAC

E.O. 12958: N/A  
TAGS: [PHSA](#) [ATRN](#) [EWWT](#) [PREL](#) [KPIR](#) [KCRM](#) [IMO](#) [DA](#) [UK](#) [BA](#)  
SO, CH, HK  
SUBJECT: SOMALI PIRACY: HONG KONG SHIP OWNERS TO LOBBY  
CHINA ON RUMORED UNITED NATIONS RANSOM BAN

REF: HONG KONG 267

¶1. (SBU) On February 18, Hong Kong Ship Owners Association (HKSOA) Managing Director Arthur Bowring informed Post that the HKSOA would approach China's Foreign Ministry Commissioner in Hong Kong to raise the industry's concerns over a rumored United Nations ban on ransom payments to pirates. Responding to a request from the London-based International Chamber of Shipping (ICS), the HKSOA plans to advise China, in its role as a permanent member of the UN Security Council, on the industry's opposition to the rumored ban.

¶2. (SBU) Bowring shared a copy of the ICS letter and asked that industry concerns be conveyed to Washington, stressing that any ruling that impacted ship owners' ability to ensure the protection and release of their crews could potentially affect international trade. The text of the ICS letter follows. (Note: Post conveyed contents of ICS letter SPC(10)05 mentioned below via reftel. End Note.)

¶3. (U) Begin Text:

From:  
Mr. Simon Bennett  
Secretary, International Chamber of Shipping  
12 Carthusian Street London EC1M 6EZ  
Tel 44 20 7417 8844 Fax 44 20 7417 8877  
ics@marisec.org www.marisec.org www.shippingfacts.com

15 February 2010 SPC(10)06

To:  
SHIPPING POLICY COMMITTEE

Copy:  
Executive Committee  
Marine Committee  
Labour Affairs Committee  
All Full and Associate Members (for information)

POTENTIAL UNITED NATIONS BAN ON PAYMENT OF RANSOMS TO PIRATES

Action requested: To note that the issue of a potential ban on the payment of ransoms to pirates may be brought to the UN Security Council, and to brief your foreign ministry officials accordingly.

Further to SPC(10)05, which concerned reports that the United States might be considering some kind of ban on the payment of ransoms to Somali pirates, ICS has received advice from the CSG Secretariat.

It seems that the United States is actually considering an international mechanism to impose the ban - UN Security Council Resolution 1844, which concerns entities or individuals that threaten peace and security in Somalia. If pirate gangs, or their leaders, were included on what is effectively a UN 'black list', it could then be illegal for shipping companies - of any UN Member State - to pay ransoms to these pirates. The US could then presumably enforce this ban through its Office of Foreign Asset Control (OFAC), applying sanctions to visiting ships or their companies' US offices. However, other nations might also be minded to enforce such a ban.

We understand that decisions on whether entities fall under the scope of UN Resolution 1844 is taken by a Committee established by Security Council 751, which includes all Security Council members. However, it is unknown when or even if such a decision will be debated, presumably it will only be debated if the US State Department finally decides that this is the most suitable route. Our understanding is

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that State Department officials are currently divided on the matter, although a decision is thought to be imminent (through our contacts, the views of ICS have been made known to those involved).

National associations whose governments currently have a seat on the UN Security Council are therefore requested to contact their foreign ministries, as soon as possible, advising them of the practical reasons why a ban on the payment of ransoms should be strongly opposed.

Members will also wish to liaise with their maritime administrations to help them lobby foreign ministries.

To reiterate the arguments:

- The first is humanitarian. What else are shipowners meant to do when the seafarers they employ, and to whom they have a duty of care, are taken hostage, often for months at a time, in appalling conditions, with their lives at serious risk, and with no hope of rescue by their governments?

- If such a ban were implemented, what would happen to those seafarers who are currently being held hostage (typically, at any one time, about 250 seafarers are being held by pirates)?

- If such a ban were implemented, it has to be understood that the likely result would be that the majority of shipowners would avoid the Gulf of Aden, the Suez Canal and north west Indian Ocean altogether (most large ships would divert around the Cape of Good Hope). Many ships' crews would also be likely to refuse to sail in the danger area (which covers well over a million square miles). This would clearly have a significant affect on the flow of a large proportion of international trade, and send a signal to the effect that the international community has been unable to prevent the creation by the pirates of a huge 'no go' area in a region of great strategic importance.

- Finally, it is worth reiterating that there is absolutely no evidence (so far as we are aware) of any links between the pirates, who are criminal opportunists, and terrorism.

The help of national associations will be greatly appreciated.

End text.

MARUT